

## Message Text

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63

ORIGIN XMB-04

INFO OCT-01 ARA-10 EUR-12 ISO-00 AID-05 CIAE-00 COME-00

EB-07 FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 OPIC-06

SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 /078 R

66619

DRAFTED BY:XMB:LRMOYERS:KEW

APPROVED BY:EB/OCA/CM:JFSIMMONS

XMB:WWGLICK, ACTING EXECUTIVE VICE PRESIDENT

XMB:WCSAUER, FIRST VICE PRESIDENT AND VICE CHAIRMAN

ARA/BR:JSLATTERY

EB/IFD/ODF:RASWART

----- 118176

P 292120Z JUL 75

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA PRIORITY

INFO AMCONSUL RIO DE JANEIRO PRIORITY

AMCONSUL SAO PAULO PRIORITY

AMEMBASSY ROME PRIORITY

UNCLAS STATE 178797

E.O. 11652: N/A

TAGS: EGIN

SUBJECT: BRAZIL/STAGE III STEEL EXPANSION PROGRAM

ROME REPEAT TO EXIMBANK CHAIRMAN CASEY

EXIMBANK TODAY APPROVED PRELIMINARY COMMITMENT TO ASSIST IN FINANCING A PORTION OF THE STAGE III EXPANSION PROGRAM FOR CSN AND USIMINAS. NO REQUEST HAS YET BEEN RECEIVED FROM COSIPA; HOWEVER, THE SAME TERMS AND CONDITIONS WOULD APPLY FOR ANY REQUEST FROM THAT COMPANY. THE PRELIMINARY COMMITMENTS COVER BID PACKAGES WHICH ARE DUE TO BE AWARDED WITHIN THE NEXT THREE TO FOUR MONTHS. ADDITIONAL PRELIMINARY COMMITMENTS WILL BE ISSUED TO COVER FOLLOW-ON BID PACKAGES.

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THE TERMS AND CONDITIONS APPROVED ARE AS FOLLOWS: 10 PCT DOWN-

PAYMENT; 45 PCT EXIMBANK DIRECT CREDIT AT 8 PCT, 30 PCT COMMERCIAL BANK PARTICIPATION GUARANTEED BY EXIMBANK WITH A 1 PCT GUARANTEE FEE; 15 PCT COMMERCIAL BANK PARTICIPATION WITHOUT AN EXIMBANK GUARANTEE. WE ESTIMATED THE APPROXIMATE BLENDED RATE WILL BE 8.55 PCT. AMORTIZATION WILL EXTEND TWELVE YEARS AND FIRST REPAYMENT WILL COMMENCE APPROXIMATELY SIX MONTHS AFTER COMMISSIONING. CONSTRUCTION IS ESTIMATED AT APPROXIMATELY THREE YEARS, WHICH RESULTS IN A TOTAL TERM OF APPROXIMATELY 15 YEARS. FIRST REPAYMENT FOR CSN WOULD BE ON OR ABOUT MARCH 1, 1979 AND FOR USIMINAS JANUARY 1, 1979. COPIES OF THE PRELIMINARY COMMITMENTS FOLLOW. INGERSOLL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CREDIT, STEEL PLANTS, DEVELOPMENT LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 29 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE178797  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** XMB:LRMOYERS:KEW  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750261-0910  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1975/newtext/t19750711/aaaaajss.tel  
**Line Count:** 72  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN XMB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** hartledg  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 18 MAR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <18 MAR 2003 by ThomasVJ>; APPROVED <02 FEB 2004 by hartledg>  
**Review Markings:**

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US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BRAZIL/STAGE III STEEL EXPANSION PROGRAM ROME REPEAT TO EXIMBANK CHAIRMAN CASEY  
**TAGS:** EGEN, EINV, BR, XMB  
**To:** BRASILIA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006